(d) Yes, Sir.

(e) The Government of Pakistan has not responded.

Modernisation of defence production units

1404. SHRISURESH PACHOURI: Will the Minister of DEFENCE be pleased to state:

(a) whether Government propose to invite Foreign Direct Investment in defence production sector;

(b) if so, reasons therefor; and

(c) how does Government propose to modernise the defence production units in the country?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) and (b) Taking into account *inter alia* the capital intensive nature of Defence Industry, the substantial annual outgo of funds on defence imports, the need to modernize the sector and bring in state-of-the -art technologies, in May, 2001, the Government decided to open Defence Industry for Indian private sector upto 100%, with Foreign Direct Investment (FDI) permissible upto 26%, with subject to licensing.

(c) In case of Defence Production Units, modernisation is taken up on a regular basis keeping in view the futuristic requirements of Armed Forces.

Land for expansion and developmental programmes

1405. SHRI P. PRABHAKAR REDDY: Will the Minister of DEFENCE be pleased to state:

(a) whether the Government of Maharashtra has asked the Mazagon Dock Ltd., to return the land which was earlier given to it for expansion and developmental programme;

(b) if so, the details thereof and reasons therefor;

(c) whether Government have taken up the issue with the State Government and persuade it to review its stand;

(d) if so, the details thereof and reaction of the Maharashtra Government thereto; and

(e) if not, the reasons therefor?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) Yes, Sir.

(b) to (e) Mazagon Dock Limited (MDL), Mumbai had acquired 128 acres of land, at Dighi, Taluk Shrivardhan, District Raigad, Maharashtra, on lease of 95 years from SICOM, a State Government Undertaking, in the year 1982 for developing a ship construction/ship repair yard. This 128 acres of land comprises of 14.5 acres of Government land and 113.5 acres of private land. MDL commenced development work in 1983 itself which was stopped under orders of the State Government pending Environmental Clearnace.

Due to non-clearance from the Ministry of Environment (Gol), MDL could not proceed with the Project even after getting Environmental clearance from the State Government in the year 1988. In 1996, SICOM, at the behest of Government of Maharashtra, initiated proceedings for resumption of the land as MDL had not utilised the land for the intended purpose at that date. In January 2003, District Collector, Raigad issued a Resumption Order pertaining to the 14.5 acres of Government land.

Both MDL and the Ministry of Defence have taken up the matter with the Government of Maharashtra at the highest level to restore the land to MDL. As a result, the District Collector, Raigad, on the advice of the Chief Secretary, Government of Maharashtra, has given a stay on his order dated 17.1.2003 w'dehis letter dated 21.1.2003.The matter is under review by the State Government of Maharashtra.

Raising of additional battalions of army

1406. DR. ALLADI P. RAJKUMAR: Wiil the Minister of DEFENCE be pleased to state:

(a) whether keeping in view the increasing role of Army in counter insurgency duties, Government has decided to raise additional battalions of Army, particularly for posting along the border;

(b) if so, the number of battalions to be raised;

(c) whether certain extra allowance will be paid to those posted in counter insurgency duties; and

(d) the details in this regard?